

CALIFORNIA BOARD OF ACCOUNTANCY REGULATIONS

CALIFORNIA CODE OF REGULATIONS TITLE 16. Professional and Vocational Regulations DIVISION 1. Board of Accountancy Regulations

ARTICLE 2. EXAMINATIONS

(Sections 6 - 11.5)

Section 6. Examination Required, Passing Grades, Provisions for Disabled Applicants.

(a) Every candidate for the C.P.A. license is required to pass or to have passed the Uniform Certified Public Accountant Examination prepared by the American Institute of Certified Public Accountants or to otherwise have met the examination requirements of Section 5082. A candidate shall be required to obtain a grade of 75 or higher in each of the subjects of the Uniform Certified Public Accountant Examination in order to pass the examination. This rule is subject to the provisions of Rule 7.

(b) The examination fee may be transferred by the Board to the next scheduled examination where:

- (1) Reasons of health, certified by a medical doctor, prevent taking the examination;
- (2) The applicant has been transferred to another state or country as certified by the applicant's employer,
- (3) Other good cause exists.

(c) A disabled candidate, upon request and presentation of satisfactory evidence of need, in accordance with the Americans with Disabilities Act will be afforded such accommodation in the examination procedures or the examination conditions as may be reasonable.

NOTE: Authority cited: Section 5010, Business and Professions Code. Reference: Sections 313.2, 5082, 5082.1, 5082.3, 5131, and 5134, Business and Professions Code.

HISTORY:

1. Amendment filed 6-18-68; effective thirtieth day thereafter (Register 68, No. 23). For prior history, see Register 64, No. 15.
2. Amendment filed 12-24-69; effective thirtieth day thereafter (Register 69, No. 52).
3. Amendment filed 1-26-79; effective thirtieth day thereafter (Register 79, No. 4).
4. Amendment filed 4-12-83, effective thirtieth day thereafter (Register 83, No. 16).
5. Amendment of section heading, text and Note filed 3-14-94; operative 4-14-94 (Register 94, No. 11).
6. Redesignation and amendment of first paragraph as subsection (a) amendment of subsection (b) and Note filed 2-26-96; operative 3-27-96 (Register 96, No. 9).

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Section 7. Conditional Examination Credit.

(a) A candidate who passes two or more subjects at any examination shall receive a conditional credit for such subject or subjects and shall have the right to be re-examined in the remaining subject or subjects for the six (6) examinations immediately following receipt of such conditional credit and, if such remaining subject or subjects are passed during the six subsequent examinations, the candidate shall be considered to have passed the examination.

(b) The conditional period in subsection (a) may be extended by the Board upon a showing of extraordinary extenuating circumstances which prevented the applicant from retaking the examination in such period.

(c) Time during which a candidate is serving in the armed forces shall be excluded in determining the conditional period in subsection (a) unless the candidate takes an examination while so serving, in which case such time shall be included in computing the conditional period.

NOTE: Authority cited: Sections 5010 and 5018, Business and Professions Code.

Reference: Sections 114, 5082, and 5082.2, Business and Professions Code.

HISTORY:

1. Renumbering and amendment of former section 7 to section 5.1 and renumbering and amendment of section 17 to section 7 filed 4-12-83; effective thirtieth day thereafter (Register 83, No. 16). For prior history, see Registers 79, No. 49 and 75, No. 33.

2. Amendment of subsection (a) filed 3-14-94; operative 4-13-94 (Register 94, No. 11).

3. Amendment of subsections (a) and (b), repealer of subsection (d) and amendment of Note filed 2-26-96; operative 3-27-96 (Register 96, No. 9).

Section 8. Examination Final Filing Dates.

Applications for the Uniform CPA Examination must be received by the Board at its office or postmarked on or before the below final filing dates in order to be accepted for that exam. Applications postmarked after the final filing dates listed in this section shall be rejected and returned to the applicant. Meter marks are not acceptable proof of mailing.

First-time Applicant Final Filing Date

The final filing date for applicants who have never sat for the Uniform CPA Exam in California shall be February 1 for the May examination, or August 1 for the November examination. If the examination final filing date falls on a Sunday or a National holiday on which the United States Postal Service is not open, the final filing date will be the next business day.

The application must be complete, including official transcripts and/or foreign evaluations pursuant to Section 9, and the appropriate fees, or it shall be rejected by the Board and the applicant will not be scheduled to sit for the examination.

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Repeat Applicant Final Filing Date

The final filing date for applicants who have previously taken the Uniform CPA Exam in California shall be March 1 for the May examination, or September 1 for the November examination. If the examination final filing date falls on a Sunday or a National holiday on which the United States Postal Service is not open, the final filing date will be the next business day.

The application must be complete including the appropriate fees or it shall be rejected by the Board and the applicant will not be scheduled to sit for the examination.

NOTE: Authority cited: Section 5010, Business and Professions Code. Reference: Sections 5081, 5082, 5082.1 and 5082.2, Business and Professions Code.

HISTORY:

1. New section filed 5-9-2000; operative 6-8-2000 (Register 2000, No. 19). For prior history, see Register 74, No. 15.

Section 9. Educational Requirements.

Each applicant must present satisfactory evidence that he or she meets the requirements set forth in Section 5081.1 of the Business and Professions Code. Satisfactory evidence as to educational qualifications shall take the form of certified transcripts of the applicant's college record mailed directly to the Board from the educational institution; however, in unusual circumstances the board may accept such other evidence as it deems appropriate and reasonably conclusive. For foreign education, in addition to certified transcripts of the applicant's college record, satisfactory evidence usually takes the form of an evaluation of educational credentials by a credentials evaluation service approved by the Board pursuant to Section 9.1.

For purposes of Business and Professions Code Sections 5081.1 and 5084, one quarter unit is equivalent to 2/3 of one semester unit.

(a) To qualify under the provisions of Section 5081.1(a), an applicant shall have a baccalaureate degree with 45 semester units or the equivalent in quarter units including at least 10 semester units or the equivalent in quarter units of audit and accounting subjects. The remaining units may include additional accounting, auditing, or other business related subjects such as: economics, management, finance, business administration, marketing, computer science, law, business communications, mathematics, tax and statistics.

(b) To qualify under the provisions of Section 5081.1(b), an applicant shall complete 120 semester units or the equivalent in quarter units, including 45 semester units or the equivalent in quarter units of accounting and related subjects, as described in subsection (a).

(c) To qualify under the provisions of Section 5081.1(c):

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(1) an applicant shall complete foreign education that is equivalent to the education required by subsection (b) or foreign and US education that, in combination, is equivalent to subsection (b); or

(2) an applicant shall pass a board approved preliminary written examination as specified by Section 5081.1(c) of the Business and Professions Code and complete 10 semester units or the equivalent in quarter units of audit and accounting subjects.

NOTE: Authority cited: Section 5010, Business and Professions Code. Reference: Sections 5081, 5081.1 and 5084, Business and Professions Code.

HISTORY:

1. Amendment filed 2-4-60; effective thirtieth day thereafter (Register 60, No. 3).
2. Amendment filed 1-26-79; effective thirtieth day thereafter (Register 79, No. 4).
3. Amendment filed 4-12-83; effective thirtieth day thereafter (Register 83, No. 16).
4. Amendment of section heading and section filed 5-10-2000; operative 6-9-2000 (Register 2000, No. 19).

Section 9.1. Approved Credential Evaluation Service Status.

(a) To receive and to maintain Board approval, a credentials evaluation service shall:

(1) Be a member of the American Association of Collegiate Registrars and Admission Officers, the National Association for Foreign Student Affairs: Association of International Educators, or the National Association of Credential Evaluation Services;

(2) Furnish the Board with a copy of its current written procedure for identifying fraudulent transcripts, and comply with that procedure;

(3) Furnish the Board with a list of its reference materials including the title of each reference, its publisher, and the date of publication, and certify that the references are adequate to prepare complete, accurate evaluations and are the most current editions available;

(4) Furnish the Board with biographical information on evaluators and translators, including a list of languages spoken and years in service. The service shall have at least one senior staff member with not less than five years of foreign student college admission experience or closely related credential evaluation experience at all academic levels;

(5) Furnish the Board with its organization chart showing the ratio of senior staff members to junior staff members is, at most, one to five, and shall not exceed that ratio;

(6) Furnish the Board with written evidence that a minimum of 50% of the evaluations performed by junior staff members are reviewed by senior staff members, and shall maintain at least that minimum;

(7) Furnish the Board with statistical information on the number of applications processed annually for the past five years;

(8) Furnish the Board with a list of at least three accredited colleges and universities or other licensing agencies using its services;

(9) Furnish the Board with three letters of reference, written within the last year, from public or private agencies;

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(10) Furnish the Board with a copy of its appeal procedure for applicants, and comply with that procedure;

(11) Furnish evaluations to the Board that comply with the requirements of this section;

(12) For the initial application, furnish the Board with sample evaluations prepared for other agencies.

(b) Each evaluation provided by the Board approved service shall:

(1) Affirm in a written statement that the evaluation is based only upon authenticated, original transcripts and degrees;

(2) Include certified copies of all original transcripts;

(3) Be furnished directly to the Board, in English; on tamper-proof paper,

(4) Include a report of each degree held by the applicant along with the equivalent degree offered in the United States, the date the degree was granted and the institution granting the degree;

(5) Include a listing of the course titles with the semester unit equivalent for each course.

(c) The credentials evaluation service shall report to the Board annually whether it has undergone any organizational changes. Approval issued under this section shall expire five years after the date of issuance unless renewed by the Board prior to its expiration by meeting the requirements in subsection (a). Approval may be withdrawn at any time if the credentials evaluation service fails to comply with any of the requirements of this section or of the provisions of paragraph (2) of subdivision (a) of Section 5081.1 of the Accountancy Act.

NOTE: Authority cited: Sections 5010 and 5081.1, Business and Professions Code.

Reference: Section 5081.1, Business and Profession Code.

HISTORY:

1. New section filed 5-10-2000; operative 6-9-2000 (Register 2000, No. 19).

Section 10. Examination on Rules of Professional Conduct.

All applicants for a certified public accountant license shall pass an examination in professional ethics, acceptable to the Board, before such license is to be issued. This professional ethics examination shall be passed no sooner than two years prior to the Board's consideration of the application for licensure.

NOTE: Authority cited: Sections 5010 and 5018, Business and Professions Code.

Reference: Sections 5018 and 5082, Business and Professions Code.

HISTORY:

1. Renumbering and amendment of former Section 18 to Section 10 filed 4-12-83; effective thirtieth day thereafter (Register 83, No. 16). For prior history, see Registers 79, No. 4 and 69, No. 47.

2. Amendment files 2-26-96; operative 3-27-96 (Register 96, No 9).

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Section 11.5. Experience Required Under Section 5083 of the Accountancy Act.

Applicants may be required to appear before the Qualifications Committee and present work papers, or other evidence, substantiating that their experience meets the requirements of Section 5083 of the Business and Professions Code.

(a) In order to meet the attest experience requirements as set forth in Section 5083, the applicant shall show to the satisfaction of the Board that his/her experience has included all the following:

(1) Experience in the planning of the audit including the selection of the procedures to be performed.

(2) Experience in applying a variety of auditing procedures and techniques to the usual and customary financial transactions included in financial statements.

(3) Experience in the preparation of working papers in connection with the various elements of (1) and (2) above.

(4) Experience in the preparation of written explanations and comments on the work performed and its findings.

(5) Experience in the preparation of and reporting on full disclosure financial statements.

(b) The applicant, pursuant to Section 5087 of the Accountancy Act, may be considered to have met the experience requirement for licensure when the applicant can show to the satisfaction of the Board that (s)he has been engaged in the practice of public accounting as a licensed certified public accountant in another state for five of the ten years preceding the date of application for a California license.

(c) The applicant who is applying with public accounting experience obtained outside the United States and its territories must present work papers substantiating that such experience meets the requirements of Rule 11.5(a) and generally accepted auditing standards. Alternatively, the applicant may acquire one year of United States experience which meets the requirements of Business and Professions Code Section 5083 and Rule 11.5(a).

(d) The applicant who is applying with experience obtained five (5) or more years prior to application will be required to obtain 48 hours of continuing education courses in specific areas prescribed by the Board.

(e) The experience required by Section 5083 may be obtained in full-time or part-time employment. In evaluating an applicant's experience, 170 hours of part-time employment shall be considered equivalent to one month of full-time employment.

NOTE: Authority cited: Sections 5010, 5018, and 5083, Business and Professions Code.
Reference: Sections 5023 and 5083, Business and Professions Code.

HISTORY:

1. New section filed 6-29-48, effective thirtieth day thereafter (Register 13, No. 1).
2. Amendment filed 2-4-60; effective thirtieth day thereafter (Register 60, No. 3).
3. New subsection (c) filed 1-26-79; effective thirtieth day thereafter (Register 79, No. 4).
4. Amendment filed 10-15-80; effective thirtieth day thereafter (Register 80, No. 42).
5. Amendment of section filed 9-23-91; operative 10-23-91 (Register 91, No. 52).
6. New subsection (c), subsection redesignation and amendment of new subsection (d) filed 11-30-93, operative 12-30-93 (Register 93, 49).

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7. Amendment of section and Note filed 2-26-96, operative 3-27-96 (Register 96, No. 9).
8. Repealer and new subsection (b) and amendment of subsection (e) filed 11-20-98; operative 12-20-98 (Register 98, No. 47).